

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 6/19/2012	(3) CONTACT/PHONE Kimberly Miramon 788-2932 Wayne Hansen 781-4282	
(4) SUBJECT Request to approve the amended Multi-Year FY 2010-2013 Negotiated Net Amount and Drug Medi-Cal Contract (Clerk's File) for \$5,172,311 with the State Department of Alcohol and Drug Programs to modify the terms of the agreement to reflect changes based on the FY 2011-12 State Budget and accompanying law.			
(5) RECOMMENDED ACTION It is recommended that the Board approve and direct the Chair to sign the amended Multi-Year FY 2010-2013 Negotiated Net Amount (NNA) Contract for \$5,172,311 with the State Department of Alcohol and Drug Programs to modify the terms of the agreement to facilitate the new provisions enacted with Chapter 40, Statutes of 2011 (AB 118-Realignment of 2011).			
(6) FUNDING SOURCE(S) State of CA Dept. of Alcohol and Drug Programs	(7) CURRENT YEAR FINANCIAL IMPACT \$1,639,175	(8) ANNUAL FINANCIAL IMPACT \$1,639,175	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <div style="display: flex; justify-content: space-between;"> <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation (Time Est. _____) <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business </div>			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A		(12) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(13) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(14) W-9 <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
(15) LOCATION MAP N/A	(16) BUSINESS IMPACT STATEMENT? No	(17) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date _____	
(18) ADMINISTRATIVE OFFICE REVIEW Reviewed by Leslie Brown			
(19) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director
Karen Baylor, Ph.D., LMFT, Behavioral Health Administrator

DATE: 6/19/2012

SUBJECT: Request to approve the amended Multi-Year FY 2010-2013 Negotiated Net Amount and Drug Medi-Cal Contract (Clerk's File) for \$5,172,311 with the State Department of Alcohol and Drug Programs to modify the terms of the agreement to reflect changes based on the FY 2011-12 State Budget and accompanying law.

RECOMMENDATION

It is recommended that the Board approve and direct the Chair to sign the amended Multi-Year FY 2010-2013 Negotiated Net Amount (NNA) Contract for \$5,172,311 with the State Department of Alcohol and Drug Programs to modify the terms of the agreement to facilitate the new provisions enacted with Chapter 40, Statutes of 2011 (AB 118-Realignment of 2011).

DISCUSSION

Your Board adopted the initial three-year State Agreement on June 22, 2010, starting with FY 2010-11 through the end of FY 2012-13. Although, FY 2010-11 is completed, the State elected to amend the entire 3-yr State Agreement.

One of the provisions of Realignment of 2011 or AB 118 is to realign funding and responsibilities of local drug and alcohol programs that were previously funded with State General Fund. The amended NNA contract outlines the transfer of responsibilities, eliminates the references to State General Fund, adds the reference to county realignment funds, and addresses the provisions related to the Drug Medi-Cal Program. The State was responsible for administering the Drug Medi-Cal Program. The responsibility for Drug Medi-Cal has shifted to the counties with the enactment of AB 118.

Prior to AB 118, the State contracted with two Drug Medi-Cal providers to serve the beneficiaries of this county; Aegis, a Narcotic Treatment Program; and San Luis Obispo County Office of Education (COE) for their Sober Schools program. The State provided an option for the counties to allow the State to continue their contracts with Drug Medi-Cal Providers, on the counties' behalf for the remainder of FY 2011-12 until the County has the infrastructure in place to serve as the Drug Medi-Cal fiscal intermediary and Drug Medi-Cal Provider/Administrator. The amended NNA contract allows for the State to continue the relationship with Aegis and COE for FY 11-12. It is anticipated that the Department will be able to fill this role starting July 1, 2012, at which time the State will submit the annual renewal contract for FY 2012-13 reflecting the change.

The State will continue to allocate Federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funding to counties for substance abuse prevention, treatment and recovery services through the Negotiated Net Amount (NNA) contract.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has approved the contract as to form and legal effect.

FINANCIAL CONSIDERATIONS

The amended three-year NNA contract amount of \$5,172,311 includes the Federal SAPT is comprised of the following:

FY 2010-11	\$ 1,893,961	(SAPT plus State General Funds - already received)
FY 2011-12	\$ 1,639,175	(SAPT only)
FY 2012-13	\$ 1,639,175	(SAPT only)
Total	\$ 5,172,311	

The FY 2011-12 Adopted Budget includes a total of \$1,893,961 for planned State General Funds and SAPT funds to be received. With the change in legislation and 2011 Realignment, the Department is now expecting to receive \$1,639,175 of SAPT funds and \$266,068 in 2011 Realignment funds for a total of \$1,905,243, an increase of \$11,282, due to an increase in the Federal SAPT funds. The State General Fund portion was replaced with 2011 Realignment and is anticipated to be realized at the same level as budgeted.

The allocation for the various programs is as follows:

Realignment-Drug and Alcohol programs	\$ 48,734	
Realignment-Perinatal programs	\$ 217,334	
		\$ 266,068
SAPT Block Grant:		
Discretionary	\$ 986,199	
Adolescent/Youth Treatment	\$ 177,111	
Friday Night Live/Club Live	\$ 30,000	
Primary Prevention Set Aside	\$ 318,796	
HIV Set-Aside	\$ 54,868	
Perinatal Set-Aside	\$ 72,201	
		\$ 1,639,175

RESULTS

The funds received through the Net Negotiated Amount contract help the Health Agency's Behavioral Health Department achieve its mission of promoting safe, healthy, responsible and informed choices concerning alcohol and other drugs through programs responsive to community needs. That mission contributes to efforts to achieve the desired community wide result of both a "Healthy Community" and a "Safe Community".

ATTACHMENTS

1. Clerk's Filed Document - Attachment 1: Net Negotiated Amount contract with State of California